

VZCZCXRO5741
OO RUEHROV
DE RUEHTV #0716/01 0870620
ZNY CCCCC ZZH
O 270620Z MAR 08
FM AMEMBASSY TEL AVIV
TO RUEHC/SECSTATE WASHDC IMMEDIATE 6032
INFO RUEHKK/ARAB ISRAELI COLLECTIVE PRIORITY
RHEHNSC/NSC WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 03 TEL AVIV 000716

SIPDIS

SIPDIS

H PASS TO CODEL KYL AND BROWNBAC

E.O. 12958: DECL: 03/26/2018
TAGS: [PREL](#) [PGOV](#) [PTER](#) [KWBG](#) [EG](#) [IR](#) [IS](#)
SUBJECT: CODEL KYL AND BROWNBAC MEETING WITH PRIME
MINISTER OLMERT

Classified By: Ambassador Richard H. Jones, Reason 1.4 (b) (d)

¶1. (C) Summary. CODELs Kyl and Brownback met with Prime Minister Olmert February 18 at the Knesset. Olmert expressed appreciation for Congressional support for Israel and said that he expected U.S.-Israeli ties to remain strong whoever is elected President. Regarding Gaza, Olmert defended the 2005 withdrawal but said that Israel could not continue to tolerate the firing of Qassam rockets. Olmert promised to avoid a humanitarian crisis in Gaza, but swore to find a way to reduce the attacks. "Many terrorists will die," he said. On the peace negotiations with the Palestinians, Olmert praised President Abbas and Prime Minister Fayyad, saying that for the first time there is a Palestinian leadership that truly wants peace and rejects terrorism. He dismissed charges that the U.S. Administration was putting pressure on Israel, and said Israel would not gain by waiting for the next Administration to take office. Olmert stated that no agreement with the Palestinians would be implemented before Phase One of the Roadmap. He also asserted that he and Abbas had agreed to put off discussion of Jerusalem until the end of the process. Senator Brownback said there was broad support for Israel in the American heartland and stressed his view that Jerusalem should be non-negotiable. In response to a question from Representative Gallegly about the Egyptian border, Olmert said that while Egypt was not doing what it should to stop smuggling, Israel needed to be "smart, not just right" in its management of relations with Egypt. Olmert urged that Congress "find ways to get Egypt to listen." Olmert told Representative Harman that he supports the desire of Israeli businessmen to invest in the West Bank provided the PA stops terrorism. Asked by Senator Kyl how the U.S. can influence Iran, Olmert said Israel remains convinced the Iran is pursuing a nuclear weapons program, which could produce a bomb as early as the end of 2009. Olmert said that methods other than force can be effective in creating discontent in Iran. If financial and other pressures fail, however, the U.S. and Israel will need to discuss "other measures." End Summary.

¶2. (C) CODELs Kyl and Brownback, composed of Senator Jon Kyl (R-AZ), Representative Elton Gallegly (R-CA), Representative Jane Harman (D-CA) and Senator Sam Brownback (R-KA), met with Prime Minister Olmert February 18 in the Knesset. The Ambassador and PolCouns joined the CODELs, while the Prime Minister was accompanied by PM Office Director Yoram Turbowicz, Foreign Policy Adviser Shalom Tourgeman and Knesset Foreign Affairs and Defense Committee Chairman Tzachi Hanegbi. Topics discussed included U.S.-Israeli relations, peace negotiations with the Palestinians and Israel's response to rocket attacks from Gaza, the status of Jerusalem, Egypt's role in securing the border with Gaza, and the Iranian nuclear threat.

U.S.-Israel Friendship is Bipartisan

13. (SBU) Prime Minister Olmert began by welcoming the delegations, commenting that the U.S.-Israeli friendship is best manifested through the Congress, which represents the broadest cross-section of the American people. Noting that he knew some of the CODEL members for many years, Olmert thanked Congress for its steady support for Israel. Olmert said that while Israelis were following the U.S. presidential campaign closely, he was sure that whoever is elected will be a great friend to Israel.

Responding to Terror from Gaza

14. (C) Noting that the CODELS had met with the Knesset's Foreign Affairs and Defense Committee, Olmert said that while there were some differences among the Knesset's members, there was unanimity on the need to fight terrorism and to find the right way to deal with Hamas' control of Gaza. Olmert defended the 2005 withdrawal from Gaza, saying that were the IDF inside of Gaza now, it would be even more exposed and would have to protect the Israeli settlers. Israel, however, could not continue to tolerate the daily firing of Qassam rockets from Gaza. The rockets do not kill many Israelis, but they "ruin the joy of life" for thousands of Israelis living near Gaza. Parents go to work in the morning not knowing whether they will see their children in the evening. Olmert said he did not know of another country that could absorb these daily attacks in such a restrained manner. This was a point he tried to explain "to our friends in Europe."

15. (C) Olmert commented that the question was what to do

TEL AVIV 00000716 002 OF 003

about it. Israel did not want to punish the civilian population of Gaza, but it had to reduce the attacks. As long as the civilian population of southern Israel could not enjoy a normal life, life should not be normal for Gazans. Israel had to remind Gazans that the rocket fire is unacceptable, but it must do this without causing a humanitarian crisis. Olmert asserted that Israel would find a way to stop the rockets and that "many terrorists will die." At the same time, Israel will avoid causing a humanitarian crisis.

No U.S. Pressure on the Peace Process

16. (C) Olmert commented that he is asked all the time whether he is being pressured by the U.S. His answer is that no one is pressuring Israel, which genuinely wants to pursue peace with the Palestinians. Olmert praised PA President Abbas and Prime Minister Fayyad, saying that unlike any time in the past, the current Palestinian leadership sincerely wants peace. Olmert admitted that he was not talking about Abbas and Fayyad's capabilities, but rather their desire for peace. They are Palestinian patriots who want the best for their people, he stated, but they are pursuing their goals without using terror or violence.

17. (C) Olmert said the situation would not improve if he waited for the next U.S. administration. If Israel waits, the new Palestinian leadership could be Hamas. Israel was comfortable with the negotiating process because of an understanding that once an agreement is reached, it will not be implemented before the Roadmap obligations are fulfilled. The fact that the PA must fight terror before any agreement would be implemented means that Israel can negotiate comfortably. Olmert said he was proud to rely on the support of President Bush, Secretary Rice, and the U.S. Congress on a bi-partisan basis.

Negotiate Jerusalem at the End

¶8. (C) Olmert noted that he would meet President Abbas the next day to continue their discussions. Olmert said he had told Abbas that while all the core issues are open for negotiation, Jerusalem must be left for the end of the process. Dealing with Jerusalem at the start of negotiations would "explode the process." Abbas reportedly agreed to this approach, since he understood this made for a better political environment for both sides. Senator Kyl said that President Bush and Secretary Rice have spared no effort to advance the peace process.

¶9. (C) Senator Brownback noted the depth of support for Israel in the American heartland, much of it based on religious faith. Jerusalem was sacred to Christians, he said, and even the thought of Israel negotiating the status of Jerusalem was hard to accept. It would be wrong for Israel to give up the holy sites. Senator Brownback said he had introduced a resolution in the Senate declaring Jerusalem to be the undivided capital of Israel. Olmert agreed that Jerusalem is significant to Christians as well as to Jews. He commented that it would not be wise for him to discuss that part of the negotiations, but he assured the CODELs that he would know what to do about Jerusalem once all the other issues were resolved.

Egyptian Role in Gaza

¶10. (C) Representative Gallegly said he would like to associate himself with Olmert's remarks about Gaza. He had been touched by the plight of the mayor of Sderot, a city under daily rocket attack. Gallegly asked Olmert whether he thought Egypt was doing its best to help with border security. Olmert responded that Egypt was not doing what was expected of it. Israel could complain about Egypt's performance on a number of issues, including allowing weapons and terrorists to enter Gaza. The question was what to do about it considering the delicacy in Israel's relations with Egypt. Mishandling relations with Egypt would play into the hands of those who sought to destroy those relations. Israel and the U.S. agreed on the facts of Egyptian failures, but Israel needed to be smart and not just right. Olmert said he was sure the Congress would find ways to get Egypt to listen to American advice. Israel also raised these issues with Egypt, but it was not smart to do so publicly. Olmert said he personally had discussed Gaza with President Mubarak and would continue to do so.

TEL AVIV 00000716 003 OF 003

Helping Fayyad with Private Investment

¶11. (C) Representative Harman mentioned the death of Representative Tom Lantos, and said the Yad Vashem Holocaust museum was considering establishing a memorial to Lantos. Olmert praised Lantos as a man with a unique humanitarian character, adding that he was planning a posthumous Israeli medal for Lantos. Representative Harman asked Olmert whether the Israeli private sector could help PM Fayyad with investment in the West Bank. Olmert said he had been friendly with Fayyad for years. Israel was ready to cooperate in developing the PA's infrastructure. Israeli businesses could invest millions of dollars in the West Bank provided there was no terrorism, Olmert said, noting the success of the Qualified Industrial Zones in Jordan and Egypt. Olmert commented that Quartet Special Representative Tony Blair has proposed five high-profile projects, including some in Area C of the West Bank, which is under total Israeli control. Olmert said Israel would support Blair's ideas. The GOI had also proposed a joint Israeli-Palestinian business conference, which was scheduled to hold its first meeting on March 9. Israel's biggest businessmen were ready to invest in the West Bank, but on condition that terror

cease. Fayyad, Olmert noted, knows that Israel is ready.

How to Influence Iran

¶12. (C) Noting that some members of the CODEL were going to visit Dubai, Senator Kyl asked Olmert for his advice on how the U.S. could best influence Iran. What would be the best approach for the U.S. to pursue? Noting that he would be careful with his response since he knew how close Senator Kyl was to President Bush, Olmert said Israeli intelligence had a different assessment from the U.S. National Intelligence Estimate. While Israel did not have a smoking gun, Israel had no doubt that Iran was building a nuclear bomb. In the worst case scenario, Iran could develop nuclear weapons by the end of 2009 or early 2010. It may take them a bit longer, but the threat must be taken seriously.

¶13. (C) Despite the threat, Olmert said that force was not the only response, all other approaches should be tried first. Economic and financial sanctions should be expanded, and not necessarily through the Security Council. Olmert recalled that President Putin had asked him why Iran needed its own enrichment program when Russia was providing Iran with nuclear fuel? The point was to create growing discontent among Iran's middle class and business community. Why, for example, did the EU continue to allow Iranian businessmen to enter Europe? Pressure on Iranian banks was having an impact and should be expanded. Iranian airlines should lose their landing rights. These measures, along with "other efforts that we do not discuss," could be effective. Olmert noted, however, that if this approach fails, Israel and the U.S. would have to discuss a different approach.

¶14. (U) CODEL Kyl has cleared this message.

Visit Embassy Tel Aviv's Classified Website:
<http://www.state.sgov.gov/p/nea/telaviv>

You can also access this site through the State Department's
Classified SIPRNET website.

JONES